

Message Text

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ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 CIAE-00 PM-03 INR-07 L-02

ACDA-10 NSAE-00 PA-02 RSC-01 PRS-01 SP-02 USIA-15

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FM USMISSION NATO

TO SECSTATE WASHDC 8353

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UNCLAS USNATO 5892

E.O. 11652: N/A

TAGS: MARR NATO

SUBJ: NATO INFRASTRUCTURE - INTERNATIONAL COMPETITIVE BIDDING
FOR PERSHING 1A COMMUNICATION

REF: USNATO 5869, 231025Z OCT 74

TEXT OF TELEX REFERRED TO IN REFTEL IS AS FOLLOWS:

HON. DAVID BRUCE

U.S. AMBASSADOR TO NATO

BRUSSELS, BELGIUM

SUBJECT: PIA COMMUNICATIONS

DEAR MR. AMBASSADOR:

WE HAVE BEEN ADVISED THAT THE U.S. DELEGATION
IS PROTESTING A DECISION BY THE B.W.B. TO AWARD
A CONTRACT TO A NON U.S. COMPANY FOR THE SUBJECT
TENDER. WE FURTHER BELIEVE THAT THIS PROTEST
IS FOUNDED UPON THE PREMISE THAT THE LOW U.S.
BIDDER, WHO HAS BEEN FOUND TECHNICALLY UN-
ACCEPTABLE TO THE B.W.B., SHOULD BE REINSTATED.

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REL-REEVES INFORMED THE U.S. DELEGATION BY TELEX
ON 8 OCTOBER 1974 OF CERTAIN ACTIONS THAT REL-REEVES
WAS TAKING WITH RESPECT TO THE SUBJECT PROCUREMENT.
THE BASIS OF THIS ACTION WAS IN PART, DUE TO THE

REASONS OUTLINED IN THAT TELEX, AND FURTHER IS THE RESULT OF A MISTAKE IN BID THAT REL-REEVES BELIEVES WILL QUALIFY OUR PRICE AS LOW AND ACCEPTABLE UNDER THE TERMS OF THE TENDER.

WE SUPPORT AND ENCOURAGE THE OBJECTIVES OF THE U.S. DELEGATION IN THEIR SUPPORT OF U.S. INDUSTRY TO OBTAIN NATO PROJECTS AND IMPROVE, THEREBY THE BALANCE OF PAYMENTS OBJECTIVES OF THE U.S. GOVERNMENT. WE OFFICIALLY PROTEST, HOWEVER, THE FAVORITISM SHOWN TO A PREVIOUSLY DISQUALIFIED U.S. COMPANY TO THE DETRIMENT OF REL-REEVES, WHO REMAINS THE ONLY PRESENTLY QUALIFIED U.S. COMPANY.

AS OUTLINED IN OUR TELEX TO THE B.W.B. ON 18 OCTOBER 1974, OUR PRICE SUBMISSION IS ACCEPTABLE WITHIN THE TERMS AND CONDITIONS OF TENDER RELATIVE TO MISTAKE IN BID. WE THEREFORE EXPECT THE U.S. DELEGATION WOULD SUPPORT THIS ACTION ON THE PART OF REL-REEVES AND WOULD SUPPORT OUR POSITION THAT REL-REEVES, AS LEADER FOR THE CONSORTIUM, HAS NEVER BEEN OFFICIALLY NOTIFIED OF ITS POSITION BY THE B.W.B. AND THEREFORE IS ACTING WITHIN THE BOUNDS OF PROPER PROCUREMENT PROCEDURES.

REFERENCE TO OUR PROPOSAL SUBMISSION W/F 21T/20045/12010 DATED 5 JUNE 1974 WILL SHOW AN AMOUNT OF D.M. 16,629,195 (DLR 702,239 U.S.) INCLUDED IN ITEM 13 FOR TAXES, ETC. THIS AMOUNT WAS MISTAKENLY INCLUDED TWICE IN OUR PROPOSAL.

WE ARE PREPARED TO PROVIDE ANY ADDITIONAL INFORMATION REQUIRED IN SUPPORT OF OUR POSITION. I WOULD ALSO REQUEST A PERSONAL MEETING WITH YOU OR YOUR DELEGATE TO DISCUSS THIS MATTER MORE FULLY.
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SINCERLY,
F.P. PRO
CHAIRMAN OF THE BOARD
REL-REEVES
UNQUOTE

QUOTE
TWX 1336
OCTOBER 18, 1974

HEADQUARTERS
NATO
U.S. DELEGATION

BRUSSELS, BELGIUM
ATTN: J.T. LOVELAND

THE FOLLOWING MESSAGE WAS SENT TO B.W.B.

TWX 1334
OCTOBER 18, 1974

COMMANDING GENERAL
B.W.B.
KOBLEN, WEST GERMANY

SUBJECT: PIA COMMUNICATIONS

REFERENCE: FE 11 1W/21T/20045/12010

SIR:

WE HAVE BEEN ADVISED BY OUR NATO REPRESENTATIVE THAT THE CONSORTIUM OF REL-REEVES AND SEIMENS A.G. HAVE BEEN UNJUSTLY AND PURPOSELY ELIMINATED FROM THE SUBJECT PROCUREMENT. IT IS AS A RESULT OF UNFAIR FAVORITISM BEING SHOWN TO OUR COMPETITOR, WHO WAS ORIGINALLY DISQUALIFIED BY YOUR OFFICE, THAT WE HEREBY SUBMIT THIS OFFICIAL PROTEST. WE ARE FURTHER TOLD THAT THIS ELIMINATION IN A LETTER DATED 2 SEPTEMBER 1974. REL-REEVES, AS THE UNCLASSIFIED

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SPOKESMAN FOR THE CONSORTIUM, HAS NEVER RECEIVED SUCH A LETTER AND IS THEREFORE ACTING IN ACCORDANCE WITH ITS RIGHTS AS A QUALIFIED BIDDER. OUR POSITION IS ADVANCD IN OUR LETTER OF 15 MAY 1974.

WE HAVE NOT RECEIVED ANY WRITTEN REQUEST TO RECONFIRM OUR PRICES OF PROPOSAL VALIDITY. ANY ACTIONS THAT MAY HAVE BEEN TAKEN ARE BASED UPON OUR DESIRE TO PRESENT THE B.W.B. AND NATO WITH THE BEST PROPOSAL

CONSISTENT WITH ITS REQUIREMENTS FOR PERFORMANCE AND ECONOMY.

OUR MESSAGE OF 8 OCTOBER 1974 REFLECTED A PRICE WE CONSIDER TO BE IN THE BEST INTERESTS OF THE B.W.B. AND NATO. YOUR ACCEPTANCE OF THIS PRICE IS ACCEPTABLE UNDER THE MISTAKE IN BID CLAUSE OF YOUR TENDER. WE ARE PREPARED TO DISCUSS THIS POINT WITH YOU AND CONFIRM ITS VALIDITY. (INFORMATION BEING SENT UNDER SEPARATE COVER).

WE FEEL YOUR RELUCTANCE TO ACCEPT THIS OFFER UNJUSTLY PENALIZES REL-REEVES AND UNFAIRLY BURDENS THE

TAXPAYERS WHO SUPPORT THE NATO/BWB PROJECTS.

REL-REEVES HAS BEEN A WORLD LEADER IN TROPOSCATTER AND COMMUNICATIONS FOR OVER 24 YEARS. REL-REEVES HAS NEVER BEEN DISQUALIFIED AS AN ACCEPTABLE BIDDER. THE QUALITY OF ITS PRODUCTS ARE KNOWN THROUGHOUT EUROPE AND PARTICULARLY WITHIN NATO, WHO PRESENTLY OPERATE THE ACE HIGH TROPO SYSTEM.

REL REEVES IS ENTITLED TO A NEGOTIATION TO THE SAME EXTENT THAT A DISQUALIFIED BIDDER IS PERMITTED REQUALIFICATION. THEREFORE IF OUR PRICE WAS DISQUALIFIED ON THIS BASIS WE EXPECT EQUAL CONSIDERATION. IN ANY EVENT WE UNSOLICITIVELY FOUND A MISTAKE IN OUR BID AND ACCORDINGLY, OUR REVISED PRICE MUST BE ACCEPTED UNDER THE TERMS OF THE TENDER.

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IN VIEW OF THE ABOVE, I WOULD REQUEST A MEETING WITH AN APPROPRIATE MEMBER OF YOUR GENERAL STAFF TO DISCUSS THE REASONS WHY THIS AWARD SHOULD NOT BE MADE TO REL-REEVES, INC UNDER THE ABOVE CONDITIONS.

I AWAIT YOUR RESPONSE.

SINCERELY,

F.P. PRO
CHAIRMAN OF THE BOARD
REL-REEVES, INC.
UNQUOTEMCAULIFFE

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<< END OF DOCUMENT >>

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